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INVESTING FOR PEACE FUND

Generating rural economic growth through private sector investment.

OVERVIEW

Investing for Peace Fund generates rural economic growth through private sector investment in conflict-affected municipalities in Colombia. This fund was established through a partnership between USAID and Acumen, a nonprofit social venture capital fund that uses market-based approaches to tackle poverty around the world. Investing for Peace runs from June 2015-September 2022.

Investing for Peace seeks to address income equality between Colombia's urban and rural areas. The 2015 national census revealed that more than 45 percent of rural Colombians are living in poverty. This inequality has been made even worse by the country's history of armed conflict, and violence has prevented private investment in many areas. Investing for Peace is creating a path for rural communities to escape poverty by generating income and developing new employment opportunities.

PHOTO BY HANZ RIPPE FOR USAID/COLOMBIA

COMPONENTS

INCREASING FUNDING ACCESS

Investing for Peace makes equity and debt investments in young companies that demonstrate a potential to have large-scale impact on local poverty rates. Acumen, acting as the Global Development Alliance partner, provides philanthropic donations to these companies and USAID makes funds available through a cooperative agreement using its patient capital investment model. Acumen is also leveraging USAID's grant to raise additional capital from other donors.

PROMOTING INVESTMENT

Investing for Peace invests in pioneering enterprises in conflict-affected municipalities to generate wealth, create employment, and improve income for rural poor. The activity provides USD \$4 million in financing to for-profit social enterprises and supports these enterprises through technical assistance. Investing for Peace also helps enterprises develop strategic communications and outreach programs to showcase their success stories and encourage other private sector actors to invest in these regions.

RESULTS

- Leveraged USD \$745,140 in matching funds from Acumen for USAID's investment of USD \$1.49 million;
- Benefited 3,751 rural producers, and created 20 full time jobs, through equity investments; and
- Invested USD \$1.15 million in Cacao de Colombia, USD \$1 million in Azahar Coffee, USD \$109,000 in Bioguaviare, USD \$214,000 in Selva Nevada and USD \$876,200 in Acceso.